

## Tenants Leading Change case study – Leathermarket JMB

### Key facts

- Leathermarket Joint Management Board (JMB), a Tenant Management Organisation (TMO) managing 1,419 homes owned by the London Borough of Southwark, enables local residents to make decisions about how their homes are managed
- set up in 1996 following local discontent with housing services, tenant involvement through the JMB has led to improved repairs, rent arrears, communal cleaning, gardening and other services. In 2011, 92% of residents voted to continue JMB management (on a 68% turnout).
- for the last four years, the JMB has made 3% efficiency savings (£148K in 2013) from its budget in order to clear a backlog of historic major repairs
- the personal relationships the JMB has with its residents means that it performs well in areas such as tackling unlawful occupation, fire safety issues, and in supporting vulnerable residents
- the JMB's local support is enabling them to build much needed new local homes

Leathermarket Joint Management Board is a TMO that has managed 1,419 of the London Borough of Southwark's homes in London since 1996. About two thirds of the JMB's homes are tenanted, with the other third leased as a result of Right to Buy sales. The JMB is a strong example of what can be achieved where residents take responsibility for the delivery of services. Its main focus to date has been providing high quality services to meet the needs of its residents. This is largely through having an intimate knowledge of the estate's residents – what they want and what problems they face, and through effective systems of control. However, the JMB's recent decision to take responsibility for the local authority's Housing Revenue Account for the estate has freed them to explore other areas.

### Background

In the early 1990s, growing tenant discontent in the area with Southwark's services, particularly repairs, grounds maintenance and cleaning, and a desire amongst local Leathermarket residents to take action coincided with a Southwark policy to devolve management to local areas and the appointment of a housing manager for the area who was particularly keen to support residents taking control. This led in 1994 to a feasibility study under

the Right to Manage regulations, and subsequently to a well supported ballot and handover of management responsibilities to the JMB in 1996.



The JMB has always had responsibility for most housing services, but in 2013, Southwark demonstrated their support for the JMB by agreeing to transfer responsibility for the Housing Revenue Account for Leathermarket's homes to the JMB, giving them full responsibility for decision making over their homes (to the extent that the small number of

services that the JMB considers would be best delivered by Southwark are now bought back from the Council).

The JMB is a membership organisation, where local residents and leaseholders are entitled to become members. They ratify the ten tenant directors on the JMB at the JMB's Annual General Meeting from two nominees from five independent Tenants & Residents Associations that predate the JMB. Between 60 and 70 people are involved through the five Tenants & Residents Associations which tend to attract about 30 people to their Annual General Meetings. The resident directors choose three additional co-opted directors on the Board (current co-optees bringing finance, housing management and regeneration skills). The Board meets four times per year and holds an annual strategic planning awayday. Resident directors chair five JMB sub-committees on finance, staffing, performance, social and major works, which enable the involvement of other JMB members. JMB Chair John Paul Maytum MBE said that "the Board considers strategic issues like our capital plan, and everyone understands that if we haven't got the money, then we are buggered, but the main focus of the elected residents on the JMB is how do we help and support people. That means that the Board tends to also focus on a lot of practical operational matters, such as, at the moment, the heating contract".

"Discussing which benefits have come from resident involvement is not straightforward because we see it all as a partnership between residents and staff. We all work together and residents and staff talk to each other regularly on a day to day basis."

## Financial benefits

Carrying out a backlog of major repairs work has been a priority for the JMB over several years and a commitment was made four years ago to top slicing 3% of the JMB's annual budget each year to provide additional funding to carry out this work. Since taking responsibility in 2013 for the Housing Revenue Account for the Leathermarket estate, 3% of the JMB's annual budget has been £148,000.

Having taking responsibility for the HRA has resulted in the JMB having increased expenditure available for its major repairs activity (an increase from £1.4K to £1.9K), but this has also resulted in a significant increase in responsibilities and workload which the JMB has decided will be absorbed within existing staffing resources in order to ensure the backlog of major repairs is tackled sooner. The resources that the JMB has saved over several years have meant that the JMB is in a position to release a further £815K to increase spend on major repairs.

The JMB ability to make these savings is primarily as a result of efficiencies due to the way that the JMB carries out repairs – “we measure the value: cost relationship of our repair team in the same way as our external contractor, whose charges are very competitive, but our own team was 18% less”. The JMB has made efficiencies through “better contractors and better control”.



“Even where we buy services from Southwark, we get a more cost efficient service because they know we will scrutinise what they do. It's a cultural thing. People living in Southwark's homes think poor service is just what happens and so problems often don't get reported. This results in contractors being called back again and again and repairs being patched up. The JMB has lifted expectations for residents and so we know very quickly when things are not right and contractors know that they have to deliver us good value for money”.

## Service benefits

As a Tenant Management Organisation, the JMB has to have an annual vote amongst its members and a five yearly ballot amongst all residents and leaseholders to enable its management agreement to continue. This means that the JMB particularly aims to ensure high quality for its residents,

particularly in the areas identified by residents as its main priorities - responsive repairs, estate cleaning and gardening and tackling anti-social behaviour.

**Responsive repairs** - a measure of success in a Local Authority TMO is being able to move on from the culture of most responsive repairs being emergency or urgent. The efficiency of the JMB's repairs service, together with it starting to operate a long term asset management strategy, has resulted in most repairs now being carried out within target times for routine repairs. The JMB checked the quality of 42% of the 6,482 repairs carried out in 2013/14 (either through a repairs inspector or through ringing the resident) with 97.31% of these repairs being carried out to a high quality.

**Estate cleaning and gardening** - the JMB has agreed its cleaning and gardening standards with residents and these standards are widely advertised across the estate. The JMB's Estates Services Manager spends Thursdays doing formal inspections of these services, with residents invited to them, and on the agreed JMB scoring matrix between 1 and 6 cleaning scores range between 4.8 and 5.3 and gardening between 5 and 5.3 (with 4 being acceptable and 6 excellent).

**Tackling anti-social behaviour** – in 2012, the JMB set up an ASB working group to review how it tackles anti-social behaviour. The JMB performs well on ASB issues. In 2013/14, the JMB managed 98 formal ASB cases, with the JMB working with Southwark to ensure that 26 residents signed Acceptable Behaviour Contracts. They also worked with Southwark to combat drug dealing in parts of the estate, and used mediation to resolve other issues. The JMB's review in 2012 aimed to “complete the loop” by ensuring that resolutions to ASB problems were reported back to residents.

Potentially of more importance to local residents are the many incidents that would end up being considered ASB in most housing providers, but which the JMB resolves immediately as part of its day to day operations - “things are resolved at source as people raise them. This means that staff often don't have to go through mechanical processes to respond to them”. This means as well that it is very rare that formal complaints are made.



The JMB creates a framework in which local knowledge and personal relationships develop which prevent ASB occurring. Starting from when new residents are allocated by Southwark to the JMB's empty homes, the JMB seeks to establish a positive

relationship with residents through JMB local directors meeting them to induct them into the community. The JMB also initiated a gardening and sculpture project which brought together local young people, encouraging them to have a sense of self-worth and to take ownership of their environment.

“The JMB knows everyone personally and the residents all know the manager and senior staff. When we are working on something – we know our people and how they will respond to something and we plan our work accordingly”.

This local knowledge of the resident constituency and personal relationships that have developed has led to a number of practical benefits:

- the JMB were able to hold a **Better Fit** dialogue with 80% of its residents to assess their personal needs (ie. whether they needed larger or smaller homes) and people who wanted to move. Through this, seven residents were rehoused into smaller homes freeing up larger homes for Southwark's register.
- **fire safety** is a major issue in Southwark, and the JMB's personal relationships has meant that residents are willing to do the things they need to do to make their homes safe (ie. such as keeping fire exits clear and removing the metal grills that had been put up in former times when the estate had a reputation for being less safe and secure) – “we don't just tell people what to do. We inform people why they need to do them and we build good relationships. It's this soft and fluffy side that leads to our residents being happy to do these things”.
- the JMB works hard to tackle **unlawful occupation**. Each year, the JMB carries out formal checks of more than a third of its residents to ensure that the resident is still occupying, and as a result of this, it took focused action regarding 20 tenancies (with 7 properties repossessed and 5 court cases pending) – “people trust the JMB. We get personal tip offs – and we know everyone. We soon know where things are not what they should be”.
- the JMB is particularly able to provide **support for vulnerable residents**. It knows 77 residents where it ensures that, either the JMB, their carer or support worker, keeps in close personal contact with them. JMB directors organise Christmas hamper deliveries for some residents. The JMB also particularly identified four residents in danger of self harm as a result of welfare reform and took steps to mitigate these risks.

The JMB's knowledge of its resident constituency also puts it in a strong position to perform well in others, such as:

- the JMB collected 100.8% of **rent arrears** in 2013/14, with a 2.2% rent arrears percentage (compared to Southwark's 4.8%) – “there was a clear focus from the Board on rent collection. We particularly highlighted the need for early identification and good support for residents, and we built our strategy around that”.
- the JMB also performed well in relation to letting and collecting rent from **garages** – a major problem issue in Southwark, where more than half of council garages in the borough remain empty – “we took a pragmatic approach to renting garages and nearly all of them are now occupied. Whilst the council only collect 72% of the rents from the garages they are able to let, we are now collecting 94%”.
- through their local focus, the JMB has also been able to *fine tune* its **empty homes** procedure, advertising homes through Southwark's choice based lettings when it is known that they will come vacant, resulting in a void turnaround time of 19 days.

### Building new homes



The JMB's local knowledge has also enabled it to work with the local community to progress the development of new homes on the estates that the JMB manages. Through the independent Leathermarket

Community Benefit Society, the JMB is building 65 homes on two sites in partnership with Southwark that will go to TMO residents who had been identified as needing different sized homes in the *Better Fit* survey (again freeing up their homes for letting through Southwark) – “getting local residents involved unlocked the sites. It made those people supporters of the schemes rather than protestors in front of the bulldozers, and the homes would not have been built if it hadn't been for the JMB building this support”.

### Resident satisfaction

Whilst Southwark carries out resident satisfaction surveys of all its residents and leaseholders, it identifies results for all TMOs in Southwark, which means that its data is not specific to the JMB. Satisfaction data from a survey carried out in 2013 showed that overall satisfaction with landlord services amongst Southwark TMO tenants was 78% as opposed to other Southwark tenants

which was 64% and the comparison between leaseholders was even greater (28% satisfaction for Southwark leaseholders and 49% for TMO leaseholders). However, the researchers identified a sampling error factor of +/-8% in relation to the TMOs due to poor turnout (attributed to either TMO residents being confused about whether a Southwark survey applied to them or lack of identification with Southwark).

More reliable was the JMB's last five yearly continuation ballot (held in 2011) in which 68% of tenants and leaseholders voted, with 92% of voters being in favour of ongoing JMB management (76% of tenants voted, with 93% being in favour of the JMB). Prior to this ballot, the JMB also carried out a sample survey (in which 173 residents voted) which showed that 86% agreed that the estate was well looked after; 73% felt that the JMB's services were better than Southwark's; 82% felt that a tenant managed service is important; and that 79% would recommend to a friend to live on the JMB's estates.

## Conclusions

Leathermarket JMB is a community-led housing organisation in south London that measures its success on the basis of the practical benefits it provides to its residents and future residents. John Paul said that "delivering a service for 50,000 homes necessarily means there is a detachment from people".

"We make better, more refined, decisions; we have tighter scrutiny and better contracting; and we have personal relationships that all allow us to unlock behaviours and decisions that wouldn't happen otherwise."